

TRANSMITTAL NO. 68

QWEST CORPORATION

ACCESS SERVICE

TARIFF F.C.C. NO. 2

DESCRIPTION AND JUSTIFICATION

SPECIAL CONSTRUCTION

INTRODUCTION AND DESCRIPTION

This filing is being made by Qwest Corporation (Qwest) in its Tariff F.C.C. No. 2, Special Construction. This filing adds three new cases in Section 6 of the tariff. The Special Construction cases are for: (1) the installation of 1,130 feet of fiber, trenching and innerduct for one DS3 service from the customer's location at 560 6th Av., Minneapolis, MN to the Qwest central office located at 200 S. 5th St., Minneapolis, MN; (2) the installation of 59,830 feet of fiber, 21,000 feet of trenching, 70 feet of conduit, 7,400 feet of innerduct, 10,000 feet of cutting through rock, 1,000 feet of boring and 25 handholes for the provision of SHARP service to existing OC12s from World Com's handhole located at 4131 Coal Mine Rd., Medford, OR to the Qwest central office located at 502 N. Central St., Medford, OR; and (3) for the installation of one mile of cable and 7 apparatus cases for the addition of two DS1 Services, from the customer's location at 7715 Willowcreek MT, south of Three Forks, to the Qwest central office located at 200 1st Ave., Three Forks, MT.

The cases being added are for facilities constructed to meet the customers' requirements and are subject to Special Construction and liabilities as described in this documentation .

The rates contained in this filing are designed to recover the costs of the additional equipment needed to provide the specialized arrangements that are not recovered in the standard rate element structures and are in addition to standard rate elements charged for services provisioned for Qwest's Tariff F.C.C. No. 1.

This document provides the detail for the new cases, cost support and Workpapers.

CASE DETAIL

Met Council

Case No. 62

(Reference No. MN0004340)

Description:

Special Construction for the installation of 1,130 feet of fiber, trenching and innerduct for one DS3 service from the customers location at 560 6th Av., Minneapolis, MN to the Qwest central office located at 200 S. 5th St., Minneapolis, MN. A total charge of \$7,006.78 (which includes a \$570.00 case preparation charge) is due and payable in a one time up-front payment.

CASE DETAIL

World Com

Case No. 8

(Reference No. OR0005262)

Description:

Special Construction for the installation of 59,830 feet of fiber, 21,000 feet of trenching, 70 feet of conduit, 7,400 feet of innerduct, 10,000 feet of cutting through rock, 1,000 feet of boring and 25 handholes for the provision of SHARP service to existing OC12s from World Com's handhole located at 4131 Coal Mine Rd., Medford, OR to the Qwest central office located at 502 N. Central St., Medford, OR. A total charge of \$509,395.97 (which includes a \$583.00 case preparation charge) is due and payable in a one time up-front payment.

CASE DETAIL

VERIZON WIRELESS

Case No. 18

(Reference No. MT0100473)

Description:

Special Construction for the installation of one mile of cable and 7 apparatus cases for the addition of two DS1 Services, from the customer's location at 7715 Willowcreek MT, south of Three Forks, to the Qwest central office located at 200 1st Ave., Three Forks, MT. The total charge of \$27,083.00 (which includes a \$583.00 case preparation charge) is due and payable in a one time up-front payment.

COST SUPPORT AND WORKPAPERS

Up-Front Unit Costs

The Up-front unit cost consists of the nonreusable investment associated with this case. This cost was based on the engineering and installation investment to place the facilities and miscellaneous minor material loadings.

Factors were applied to this figure to recover the appropriate annual capital costs associated with the nonreusable investment. Capital costs are covered through factors which when applied to investment, produce the annual costs associated with depreciation, income tax and cost of money.

Depreciation is applied by account code, reflecting the different account lives of the various types of equipment and plant used to provide services. Income tax is the expense associated with taxes that will be incurred on the income earned from this service. The earnings or "cost of money" factor represents the return that Qwest must pay to its investors for the use of their capital.

Workpaper A displays the nonreusable total up-front capital cost associated with the investment.

Nonrecurring Case Preparation Cost

This nonrecurring charge, as displayed on Workpaper A, covers the one-time labor intensive costs and filing fees associated with this special construction case. The Charge consists of labor to perform the following work functions: (1) to prepare Workpapers and explain cost documentation; (2) to develop tariff language and prepare tariff pages; and (3) to coordinate the filing and develop the Description and Justification (D&J).

After the work functions were determined, the work groups and time required for each function were identified. The task time identified was then multiplied by the appropriate labor rate. A sum of these calculations plus the cost of the filing fee produces the nonrecurring case preparation charge.

COST SUPPORT AND WORKPAPERS

Total Up-front Costs

Customer: Met Council
Case Number: 62
Reference Number: MN0004340

Nonreusable Total Up-front Capital Cost \$ 6436.78

NONRECURRING CASE PREPARATION CHARGE

Customer: Met Council
Case Number: 62
Reference Number: MN0004340

Cost Documentation	\$ 23.50
Production	\$ 90.50
Tariff Assembly	\$ 141.00
FCC Filing Fee	<u>\$ 315.00</u>

Total Nonrecurring Case Preparation Charge \$ 570.00

COST SUPPORT AND WORKPAPERS

Total Up-front Costs

Customer: World Com
Case Number: 8
Reference Number: OR0005262

Nonreusable Total Up-front Capital Cost \$ 508,812.97

NONRECURRING CASE PREPARATION CHARGE

Customer: World Com
Case Number: 8
Reference Number: OR0005262

Cost Documentation	\$ 23.50
Production	\$ 90.50
Tariff Assembly	\$ 141.00
FCC Filing Fee	<u>\$ 328.00</u>

Total Nonrecurring Case Preparation Charge \$ 583.00

COST SUPPORT AND WORKPAPERS

Total Up-front Costs

Customer: VERIZON WIRELESS
Case Number: 18
Reference Number: MT0100473

Nonreusable Total Up-front Capital Cost \$ 26,500.00

NONRECURRING CASE PREPARATION CHARGE

Customer: VERIZON WIRELESS
Case Number: 18
Reference Number: MT0100473

Cost Documentation	\$ 23.50
Production	\$ 90.50
Tariff Assembly	\$ 141.00
FCC Filing Fee	\$ <u>328.00</u>

Total Nonrecurring Case Preparation Charge \$ 583.00